

USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - Public distribution

Date: 12/4/2008

GAIN Report Number: EZ8007

Czech Republic Biotechnology Moving ahead, slowly but surely 2008

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Report Highlights:

The Czech Republic belongs to a limited number of countries in Europe with a pragmatic and scientific based approach to agricultural biotechnology. The Czech government, including its Ministry of Environment, works hard to provide objective, factually based information to its consumers. What is remarkable is how much this approach is a benefit to that country, allowing its officials to focus time, energy, and money, on legitimate priorities such as climate change, water and air quality, and biodiversity. This open scientific approach makes the Czech Republic an attractive potential investment by biotechnology companies for vaccine and agricultural development. This year after the French government's ban on growing GM crops, the Czech Republic became the second largest grower of Bt corn in the EU. If other biotech varieties were EU approved they would be planted in the Czech republic. The Czech's do not plan to focus on biotechnology in their EU presidency from Jan. 1.

Includes PSD Changes: No Includes Trade Matrix: No Semi-Annual Report Warsaw [PL1] The Czech Republic belongs to a limited number of countries in Europe with a pragmatic and scientific based approach to biotechnologies. This year after the French government's ban on growing GM crops, the Czech Republic became the second largest grower of Bt corn in the EU. The EU 27 biotechnology GAIN report E48137, previously released, is available at http://www.fas.usda.gov/gainfiles/200811/146306614.pdf

Acreage of Bt corn in the Czech Republic has been substantially increasing every year for the last four years, as well as number of growers. This year 171 farmers planted Bt corn on a total of 8,380 hectares. Farmers use Bt corn mainly for feeding cattle, because it produces better quality silage containing significantly lower amounts of mycotoxins. Mycotoxins are secondary metabolic products (metabolites) produced by microfungi that are capable of causing disease and death in humans and other animals. Some farmers reported that the better quality of feed brings them higher yields in milk and also in numbers of born calves. Some of the Bt corn is used for bio-ethanol production. In general, Czech farmers have had a positive experience with Bt corn and would be interested in growing other GM crops as well. Total corn area in the Czech Republic in 2008 reached 288, hectares, out of which 108,000 hectares was grain corn and 180,000 hectares was used for silage. Czech farmers started growing Bt corn in 2005 and at that time they tested the GM crop on only 270 hectares. The following year, the acreage of GM crops grown multiplied by a factor of five, to 1,290 hectares. The development of total acreage and numbers of farmers growing Bt corn in the Czech Republic are shown in the following table:

Year	Hectares of Bt Corn	Number of Growers
2005	270	52
2006	1,290	85
2007	5,000	131
2008	8,380	171

Bt corn is the only GM crop approved for commercial planting in the EU. Other varieties have been waiting for approval. Several of them have also been tested in the Czech Republic on test plots, for example genetically modified flax and potatoes with a higher content of starch. Since Czech farmers have had a very good experience with genetically-modified corn, they would welcome other GM crops as well, mainly GM rapeseed, and the above mentioned GM potatoes for industrial use.

The Czech Ministry of Agriculture has been preparing an amendment to the Law on Agriculture. Part of the amendment includes planned changes to a paragraph which outlines administrative procedures connected to growing GM crops. The MoA proposed simplification of the process to reduce the administrative burden on farmers, however, this proposal is still subject to further modifications by other stakeholders participating in the amendment process, and it might actually result in changes that will not be in favor of growers. Out of the two ministries regulating genetically modified organisms in the Czech Republic, the Ministry of Environment is the less liberal one. The difference can be seen in the voting on the EU committees. The Ministry of Agriculture officials vote for approving new biotech varieties of different crops and at the same time officials from the Ministry of Environment will vote to allow other member states to keep a ban on GM crops if they wish.

Many investment initiatives are possible for biotechnology companies. Those interested in learning more about Czech biotech generally should contact jana.mikulasova@fas.usda.gov. On investment, contact U.S. and Foreign Commercial Service representative, Gregory O'Connor in Prague at greg.o'connor@mail.doc.gov

Since the situation for biotech crops in the EU has become very political and therefore fragile, the Czech Republic does not plan to promote this topic during its upcoming EU presidency.